COMMONWEALTH OF KENTUCKY BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

NOTICE OF SOUTH CENTRAL BELL TELE-)
PHONE COMPANY OF AN ADJUSTMENT IN) CASE NO. 8467
ITS INTRASTATE RATES AND CHARGES)

ORDER

On October 13, 1982, the Commission entered its Final Order in this docket granting South Central Bell Telephone Company ("South Central") \$14.473 million in additional revenues. South Central appealed that order to the Franklin Circuit Court on October 26, 1982, and sought a preliminary injunction in the amount of \$16.342 million on November 10, 1982. South Central later amended their injunction request to \$12.9 million. After a hearing was held before the Circuit Court, but before the certified record of the proceeding before the Commission could be filed, the Franklin Circuit Court entered an order on December 2, 1982, directing the Commission "to design and implement rates sufficient to produce on an annual basis additional revenues for South Central Bell in an amount equal to \$8,460,000, said amount to be collected by the Company subject to refund."

On December 3, 1982, the Attorney General through its Consumer Protection Division filed a motion requesting the Commission hold a hearing to consider the appropriate rate design for

recovering the \$8.46 million in injunctive relief. The Attorney General also objected to the proposal of South Central to recover the revenue from basic exchange service. On December 6, 1982, South Central filed its response to the Attorney General's motion stating that the utility's proposal did not attempt to deviate from the Commission's order in this docket. South Central argues that there is no support for increases on terminal equipment or toll rates. South Central asserts that a hearing is unnecessary since the record already contains the position of the Attorney General, as well as the position of South Central, and that the rates are purely interlocutory in nature.

The Commission having considered the motion and response and being advised, is of the opinion that a hearing should promptly be held on the matter of the rate design for use in complying with the order of the Franklin Circuit Court.

IT IS THEREFORE ORDERED that a hearing is hereby scheduled for December 8 at 1:30 P.M., E.S.T., at the Commission's Offices in Frankfort, Kentucky.

Done at Frankfort, Kentucky, this 7th day of December, 1982.

Chairman

Chairman

Chairman

Commissioner

Commissioner

ATTEST:

Secretary